

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT:	EQUITABLE RESOURCES ENERGY)	DIVISION OF
	COMPANY, a West Virginia)	GAS AND OIL
	Corporation)	
)	DOCKET NO.
RELIEF SOUGHT:	EXCEPTION TO)	VGOB 97-0218-0566
	STATEWIDE SPACING)	
	LIMITATIONS PRESCRIBED)	
	BY VIRGINIA CODE ANN.)	
	§ 45.1-361.17(A)(2))	
)	
LEGAL DESCRIPTION:)	
)	
	WELL NUMBER V-3582)	
	PVRC TRACT NO. 66)	
	APPALACHIA QUADRANGLE)	
	RICHMOND MAGISTERIAL DISTRICT)	
	WISE COUNTY, VIRGINIA)	

REPORT OF THE BOARD

FINDINGS AND ORDER

1. Hearing Date and Place: This cause came on for hearing before the Virginia Gas and Oil Board (hereinafter "Board") at 9:00 a.m. on March 18, 1997, Ratliff Hall, Southwest Virginia Education 4-H Center, Abingdon, Virginia.
2. Appearances: James E. Kaiser of Wilhoit, Weatherly, Stetson & Kaiser, appeared for the Applicant; Sandra B. Riggs, Assistant Attorney General, was present to advise the Board.
3. Notice and Jurisdiction: The Board finds that it has jurisdiction over the subject matter. The Board also finds that the applicant has exercised due diligence to locate and provide notice to all persons entitled to notice of this proceeding.
4. Relief Requested: Applicant requests an exception to: (1) statewide spacing requirements set forth in Va. Code § 45.1-361.17 for Well Number V-3582 for the development and operation of Non-coalbed Methane Gas (herein "Conventional Gas") from Well V-3582 from the surface to total depth drilled of 5,450 feet, excluding coalbeds and rock strata associated therewith, in the Mississippian and Devonian Age formations including the Base Lee Sands, Ravencliff, Maxon, Big Lime, Borden, Coffee Shale, Berea and Devonian Shale formations ("Subject Formations"). The Applicant request the Board's consent to drill Well Number V-3582 2,320.77 feet from existing EREX Well Number V-2436, 2,172.86 feet from existing EREX Well V-2434 and 1,915.31 feet from Well 10039 which is at the location depicted on Exhibit A hereto.
5. Amendment: None.

6. Reasons Relief Should be Granted: Evidence presented on behalf of the Applicant shows, and the Board finds that:

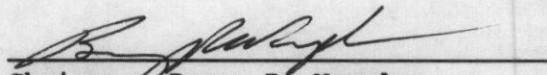
- (1) Penn Virginia Coal Company (herein "Coal Owner") is the owner of the surface, minerals, and oil and gas surrounding proposed Well V-3582, and that except for the proposed well location depicted on Exhibit A hereto, the Coal Owner and the Applicant were unable to agree upon a location for said well which would not significantly interfere with the mining and recovery of coal in the vicinity of the Well.
- (2) The Coal Owner and the Applicant have agreed to the location for the Well depicted on the plat attached hereto as Exhibit A, i.e., Virginia State Plane coordinates N-245,588.22, E 734,420.95 as being a location which will not significantly interfere with Coal Owner's mining operations.
- (3) An expert witness testified that the location exception was necessary due to mining considerations, and that the granting of the location exception was in the best interest of preventing waste, protecting correlative rights and maximizing recovery of Conventional Gas underlying Subject Drilling Unit.

7. Relief Granted: The requested relief in this cause be and hereby is granted allowing the applicant to permit and drill Well Number V-3582 2,320.77 feet from existing EREX Well V-2436 2,172.86 feet from existing EREX Well V-2434 and 1,915.31 feet from Well V-3582, all as depicted on Exhibit A hereto.

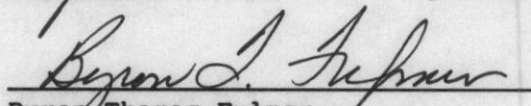
8. Findings: That the well location exception is needed in order to prevent waste, protect correlative rights and to generally effect the purposes of the Virginia Gas and Oil Act.

9. Effective Date: This Order shall be effective on the date of its execution.

DONE AND EXECUTED this ^{14th}~~17th~~ day of April, 1997, by a majority of the Virginia Gas and Oil Board.

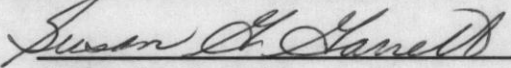

Chairman, Benny R. Wampler

DONE AND PERFORMED this ^{14th} day of April, 1997, by Order of this Board.


Byron Thomas Fulmer
Principal Executive To The Staff
Virginia Gas and Oil Board

STATE OF VIRGINIA)
COUNTY OF WISE)

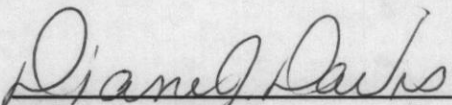
Acknowledged on this 14th day of April, 1997, personally before me a notary public in and for the Commonwealth of Virginia, appeared Benny Wampler, being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.


Susan G. Garrett
Notary Public

My commission expires 7/31/98

STATE OF VIRGINIA)
COUNTY OF WASHINGTON)

Acknowledged on this 14th day of April, 1997, personally before me a notary public in and for the Commonwealth of Virginia, appeared Byron Thomas Fulmer, being duly sworn did depose and say that he is Principal Executive to the Staff of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.


Diane J. Davis
Notary Public

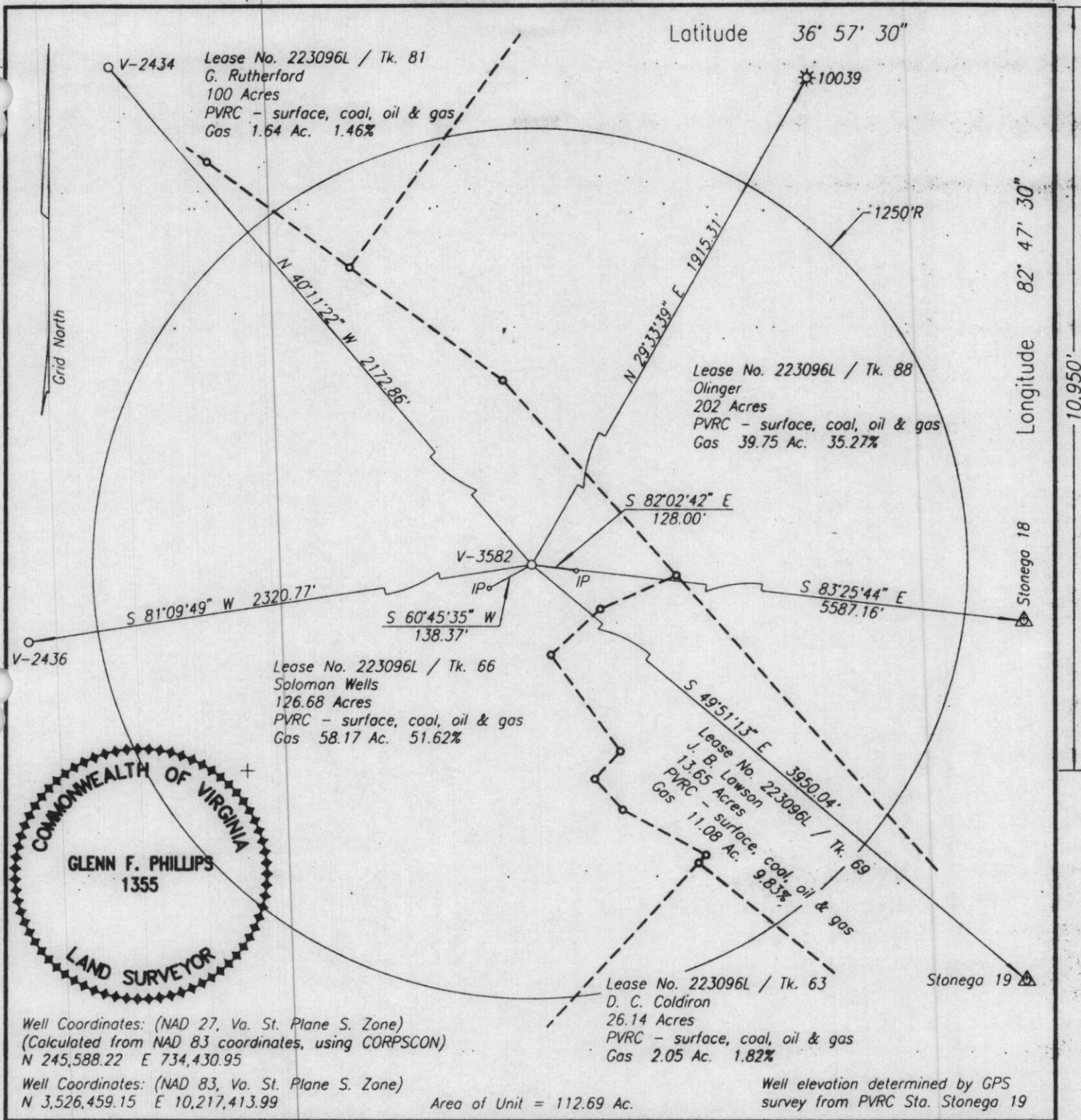
My commission expires 9/30/97

11,520

Latitude 36° 57' 30"

Longitude 82° 47' 30"

10,950'



WELL LOCATION PLAT

COMPANY Equitable Resources Energy Company WELL NAME AND NUMBER V-3582
 TRACT NO. Tk. 66 ELEVATION 2482.20 QUADRANGLE Appalachia
 COUNTY Wise DISTRICT Richmond SCALE 1" = 400' DATE 1-7-1997
 This Plat is a new plat x; an updated plat ; or a final location plat

+ Denotes the location of a well on United States topographic Maps, scale 1 to 24,000, latitude and longitude lines being represented by border lines as shown.

Glenn F. Phillips

Licensed Professional Engineer or Licensed Land Surveyor